

# Corporation Falconbridge Copper

Revised October 3, 1985 (MC)  
Destroy all previous Basic and White  
cards on this Company

CUSIP Number 306098  
Stock Symbol FCL

Executive Office — P.O. Box 40, Commerce Court West, Toronto, Ontario M5L 1B4

Telephone — (416) 863-7000

THE COMPANY is mainly a copper-zinc producer with operations centred in the Noranda and Chibougamau areas of Quebec. The Lac Shortt gold mine, near Chapais, Que., was opened in 1984.

| COMPARATIVE DATA |                 |               |                |           |                |                   |             |             |       |
|------------------|-----------------|---------------|----------------|-----------|----------------|-------------------|-------------|-------------|-------|
| Fiscal Year      | Working Capital | Metal Revenue | Invest. Income | Cash Flow | Net Inc. Oper. | Earns. Per Sh.    | Divds. Paid | Price Range |       |
|                  |                 |               |                |           |                |                   |             | High        | Low   |
| 000's            |                 |               |                |           |                | — Common Shares — |             |             |       |
|                  | \$              | \$            | \$             | \$        | \$             | \$                | \$          | \$          | \$    |
| 1984....         | 68,302          | 86,105        | 6,681          | 8,534     | 891            | 0.07              | .....       | 19.63       | 14.00 |
| 1983....         | 91,014          | 84,230        | 8,689          | 2,143     | d39            | d0.003            | .....       | 20.13       | 14.00 |
| 1982....         | 101,133         | 68,296        | 13,703         | d2,182    | d2,160         | d0.17             | .....       | 17.25       | 7.50  |
| 1981....         | 103,703         | 76,939        | 13,055         | 1,526     | d122           | d0.01             | 0.40        | 19.13       | 8.75  |
| 1980....         | 106,983         | 171,428       | 10,056         | 36,029    | 30,333         | 2.34              | 1.00        | 15.88       | 8.75  |

■ Before treatment and refining charges.

| CONSOLIDATED CAPITALIZATION AS AT DECEMBER 31, 1984 |                  |              |    |
|-----------------------------------------------------|------------------|--------------|----|
|                                                     | Outstanding      |              | %  |
| Common stock .....                                  | †13,016,125 shs. | \$11,160,000 | 9  |
| Retained earnings .....                             |                  | 110,353,000  | 91 |

†Includes 46,000 common shares (\$759,000) remaining to be issued at Dec. 31, 1984.

## SUMMARY STATEMENT

For the six months ended June 30, 1985, net loss was \$1,010,000 or eight cents per share on gross metal revenues of \$52,316,000. For the year-earlier period, net income was \$976,000 or eight cents per share on revenues of \$44,623,000.

For the year ended Dec. 31, 1984 net income amounted to \$891,000 or seven cents per share compared with net loss of \$39,000 or nil per share for the corresponding year earlier period. Net value of production declined marginally to \$55,416,000 from \$56,274,000. The improvement in results for 1984 was due to a combination of greater emphasis on gold and zinc production and tight management and cost control measures throughout all operations. These factors helped to offset the effects of a decreased volume of copper production and low metal prices.

The Lac Shortt gold mining complex was officially opened on Sept. 28, 1984. Towards year-end, operations were at the planned production rate of 750 tonnes per day. Production for the year totaled 6,700 oz. of gold from 60,300 tonnes milled.

At the Opemiska division mining in 1984 was concentrated on areas containing higher gold values, boosting gold production to 51,000 oz. from 44,200 oz. in 1983. The Perry mine, which supplies copper ore containing little recoverable gold, remained closed throughout the year due to poor copper prices.

The Ansil copper deposit in the Noranda area of Quebec was re-examined during 1984 following receipt of a \$25,000,000 grant from the Quebec government. A 5,300 ft. shaft is being sunk in order to conduct an underground delineation program to be completed in 1987.

Surface exploration expenditures totaled \$8,715,000 in 1984 in addition to \$5,540,000 spent at the Winston Lake project in Ontario and \$670,000 spent on underground exploration at the Callahan gold project adjacent to the Kiena gold mine in Val d'Or, Quebec.

Unit offering of up to 2,900 units at \$3,500 per unit was completed on Jan. 8, 1985. Each unit entitles the subscriber to earn, on a flow-through basis, 100 common shares of the company.

N.B. — For quick reference data, see page 2.

## THE FINANCIAL POST CORPORATION SERVICE

Maclean Hunter Building, 777 Bay Street, Toronto M5W 1A7 Telephone (416) 596-5585  
1001 Boul. de Maisonneuve ouest, Montréal H3A 3E1 Téléphone (514) 845-5141

Copyright © 1985—Maclean Hunter Limited

## QUICK REFERENCE DATA

**Major Shareholder**—At December 31, 1984 Falconbridge Limited beneficially held 50.8% interest (6,509,696 shares). Control has been held since incorporation.

**Employees**—801 at December 31, 1984.

**Incorporation**—Quebec, December 16, 1971.

**Auditors**—Clarkson Gordon, C.A., Toronto, Ont.

**Fiscal Year Ends**—December 31.

**Annual Report Appeared**—In March in 1985.

**Annual Meeting**—April 12 in 1985.

**Listed**—FCL Montreal and Toronto Stock Exchanges.

**Shareholders**—5,350 at December 31, 1984.

**Transfer Agent**—Canada Permanent Trust Company, Montreal and Toronto.

## COMPANY

The company owns and operates three copper-silver-gold producing mines through its Opemiska Division (Springer, Perry, Cooke) at Chapais, Chibougamau area, Que.; and the producing Corbet copper-zinc-silver-gold mine in the Noranda area, Que., through its Lake Dufault Division. The Lac Shortt gold property was brought into production in September, 1984 at a rate of 750 tonnes per day.

The company also participates in mineral exploration in Quebec and elsewhere.

Copper concentrates are treated by Noranda Mines Ltd. which also operates as sales agent for the metals produced. The company makes extensive use of management and technical services from its parent, Falconbridge Limited.

## LAKE DUFALT DIVISION

R. Gaétan, mgr., Noranda, Que.

## Property:

The property comprises five mining concessions and 134 claims covering an area of about 7,655 acres in the townships of Dufresnoy, Duprat, Rouyn and Beauchastel in the Noranda area of Quebec.

## Plant:

The property is equipped with a treatment plant capable of handling over 1,500 tons of ore daily.

## Development:

In 1974, surface exploration, including extensive diamond drilling, outlined a significant copper-zinc zone, designated as the **Corbet** area, about 7,000 ft. west of the Millenbach shaft. Early 1975, decision was made to spend an estimated \$8,000,000 over a two-year period to carry out underground exploration of this zone.

At the Corbet mine, the shaft extends to 3,993 ft. with 16 levels established. Production began in January, 1980, and the official opening took place June 12. A regrind mill was installed to improve recoveries.

In 1984, underground drilling decreased to 11,198 ft. from 52,226 ft. in 1983 while exploration drifting totaled 1,215 ft. compared with 1,124 ft. in 1983. Work was concentrated in the general vicinity of the D-68 zone located about 4,000 ft. southeast of the Corbet shaft. Additional work in the area is planned.

At the **Norbet** mine, the shaft extends to a depth of 1,996 ft. with development done from several levels and a decline. In 1976, the mine was closed permanently. Ore stockpiled on surface prior to shutdown provided a portion of millfeed from 1976 to November, 1977, when the stockpile was exhausted.

At the **Millenbach** mine, the shaft extends to 3,984

ft. with a winze from about the 2,000-ft. horizon. A total of 13 levels were established.

During 1978, 1979 and 1980, exploration in the mine, including deep drilling below the bottom level, was continued but no new ore zones were discovered and mining operations ceased in 1981. From Oct. 1, 1964 to Dec. 31, 1981, 3,789,715 tons had been milled from the Millenbach mine averaging 3.44% copper, 43.4% zinc, 1.4 oz. silver and 0.028 oz. gold per ton.

## Ore Reserves:

Ore reserves of the Corbet mine at recent year-ends were as follows:

|            | Copper    | Zinc | Silver | Gold  |
|------------|-----------|------|--------|-------|
|            | Tons      | %    | oz.    | oz.   |
| 1984 ..... | 854,178   | 3.09 | 2.54   | 0.032 |
| 1983 ..... | 1,327,305 | 3.15 | 2.82   | 0.033 |
| 1982 ..... | 1,704,000 | 3.14 | 2.51   | 0.033 |
| 1981 ..... | 2,277,000 | 3.08 | 2.02   | 0.029 |
| 1980 ..... | 2,815,000 | 3.01 | 1.97   | 0.028 |
| 1979 ..... | 3,017,000 | 3.01 | 1.93   | 0.028 |
| 1978 ..... | 2,929,000 | 2.92 | 1.98   | 0.027 |

## Production:

A record of production covering the tuneup period (Aug.-Sept. 1964) and from the start of full-scale production on Oct. 1, 1964, is shown in Summary of Lake Dufault Production.

The Lake Dufault division suspended production from the end of June, 1982, to Apr. 1, 1983, due to low metal prices, reduced grade of ore, and a need to reduce costs and between Sept. 28, 1984 and Oct. 2, 1984, operations were again temporarily suspended due to a demonstration held by a group of workers.

## Metal Prices:

Average prices received for metals in concentrate in recent years have been as follows.

| Year    | Copper<br>per lb. | Zinc<br>per lb. | Gold<br>per oz. | Silver<br>per oz. |
|---------|-------------------|-----------------|-----------------|-------------------|
| 1978 .. | \$0.75            | \$0.37          | \$238.25        | \$6.61            |
| 1979 .. | 1.09              | 0.44            | 471.87          | 21.44             |
| 1980 .. | 1.14              | 0.45            | 732.22          | 19.84             |
| 1981 .. | 0.89              | 0.54            | 481.40          | 10.65             |
| 1982 .. | 0.79              | 0.46            | 453.45          | 9.54              |
| 1983 .. | 0.84              | 0.54            | 511.82          | 12.18             |
| 1984 .. | 0.79              | 0.62            | 476.60          | 9.50              |

**Note**—At Dec. 31, 1984, settlements outstanding contained 11,836,000 lbs. copper valued at 76 cents per lb., 6,400 oz. gold valued at \$431.80 per oz., and 117,800 oz. silver valued at \$8.15 per oz.

## OPEMISKA DIVISION

D. D. Tolgyesi, mgr., Chapais, Que.

## Property:

The main property comprises three mining concessions and 191 claims covering approximately 9,738 acres, all in Levy township, Abitibi county, Chibougamau area, Quebec. A 21-mile all-weather road connects the property to the main Chibougamau highway.

## Plant and Equipment:

The property is equipped with complete mining plants operated by hydro power, replacing the diesel plant in June, 1955. Construction of a 400-ton concentrator was completed in late 1953 and operations commenced in December, 1953. Capacity was increased to 800 tons in 1955, to 1,600 tons in 1958, to 2,000 tons in 1959, and to 3,000 tons in 1971.

The mill site is connected to the C.N.R. branch line from Beattyville to Chibougamau. The branch line permitted rail haulage of concentrates to the Noranda smelter.

## Development:

The **Springer** mine is developed by two shafts. Springer No. 1 is a three-compartment shaft, sunk to 2,230 ft. with 14 levels at 150, 275, 400, 525, 675, 825, 975, 1,125, 1,300, 1,475, 1,650, 1,825, 2,000 and



2,175 ft. Springer No. 2 is a three-compartment shaft located some 700 ft. to the east, sunk to 2,414 ft. with levels at 525, 975, 1,475, 2,000 and 2,175 ft., which are all connected with the corresponding levels of No. 1 shaft.

Springer No. 1 was the main production shaft from the start of operations until late 1959, when the No. 2 shaft took over as the main opening.

During 1984, exploration and development was carried out on the Nos. 6 and 7 veins.

The Perry mine is developed through a four-compartment shaft, about 2,500 ft. northeast of Springer No. 2 shaft, completed to a depth of 3,323 ft. (having been deepened from 2,020 ft. in 1966-68). The Perry shaft has 13 levels from 150 ft. to 2,000 ft., established at the same intervals as in the Springer No. 1 shaft, and 8 additional levels to depth of approximately 3,300 ft. Main haulage crosscuts connect the Perry and Springer mines at the 975 and 2,000-ft. levels. Work was started in 1968 on the Perry 2,175, 2,350, 2,525 and 2,875-ft. levels to explore and develop the downward extension of the main Perry and Springer ore zones.

On Nov. 2, 1983, the company announced the temporary suspension of mining at the Perry mine pending a satisfactory improvement in copper prices. The mine remained on a standby basis throughout 1984.

In 1966-67, the company sank the 1,460-ft. Robitaille shaft about one mile northeast of the Perry mine to develop the drill-indicated Beaver Lake deposit. The Robitaille mine was opened by eight levels and was mined out in 1972.

The Cooke mine is located south of the Campbell Lake fault and about one mile southeast of the Robitaille shaft. Underground development was begun in April, 1974, and during 1975 the Cooke shaft was completed to a depth of 1,985 ft. and 10 stations were established. Lateral development followed. The Robitaille mine plant was relocated at the Cooke mine site in 1974.

The Cooke deposit was located by diamond drilling in 1968-69 and was subsequently explored to a depth of 1,800 ft. by surface drilling and by underground work from an extension of the Robitaille mine 8th level at the 1,300-ft. horizon. In late 1972, production plans calling for a 300-ton-per-day operation for approximately five years at an estimated capital and preproduction cost of about \$5,000,000 were announced. Preproduction expenses totaled \$6,719,000 in 1973-77. Preproduction revenue in 1977 amounted to \$1,258,000. Regular production commenced July, 1977.

In 1984, diamond drilling totaled 193,823 ft. a 19.4% decrease from 1982 and development footage was 40,044 ft. against 44,129 ft. in 1983. Exploration and development was concentrated on the Nos. 7 and 9 veins at the mine with modest success. Results of exploration drilling below the 10th level at the Cooke mine have been disappointing to date.

#### Ore Reserves:

At Dec. 31, 1984, reserves were itemized as follows:

|                | Tons    | Copper % | Gold oz./ton |
|----------------|---------|----------|--------------|
| Springer ..... | 521,794 | 1.96     | 0.049        |
| Cooke .....    | 362,176 | 0.74     | 0.139        |
|                | 883,970 | 1.46     | 0.086        |

At prior year-ends, reserves were as follows:

| Year       | Tons      | % Copper |
|------------|-----------|----------|
| 1983 ..... | 2,169,006 | 1.80     |
| 1982 ..... | 3,095,237 | 1.68     |
| 1981 ..... | 3,377,390 | 1.78     |
| 1980 ..... | 3,755,000 | 1.71     |
| 1979 ..... | 4,675,000 | 1.89     |
| 1978 ..... | 4,930,000 | 1.85     |
| 1977 ..... | 3,764,000 | 2.44     |
| 1976 ..... | 4,504,000 | 2.37     |

#### Production:

A record of production since the start-up of regular operations in 1954 is shown in the table, Opemiska Production, on page 7.

#### Metal Prices:

Average prices received for metals in concentrate in recent years were as follows.

| Year       | Copper per lb. | Gold per oz. | Silver per oz. |
|------------|----------------|--------------|----------------|
| 1978 ..... | \$0.75         | \$242.36     | \$6.67         |
| 1979 ..... | 1.09           | 476.34       | 18.68          |
| 1980 ..... | 1.12           | 715.45       | 20.72          |
| 1981 ..... | 0.90           | 493.45       | 10.78          |
| 1982 ..... | 0.81           | 488.50       | 10.16          |
| 1983 ..... | 0.87           | 523.20       | 12.96          |
| 1984 ..... | 0.79           | 477.36       | 9.22           |

**Note**—At Dec. 31, 1984, metal settlements outstanding contained 6,430,000 lbs. copper valued at 76 cents per lb., 19,200 oz. gold valued at \$444.40 per oz., and 66,200 oz. silver valued at \$8.10 per oz.

#### LAC SHORTT DIVISION

L. P. Gignac, mgr.

#### Property:

The main property comprises 62 claims in the township of Gand, Quebec. The company holds a 94.2% interest in these claims, nine of which were optioned from another mining company which retains a 7.5% net proceeds royalty. Approximately one half of a new 12 km road is being used for access to the property from Waswanipi, southwest of Chapais, Quebec.

#### Plant and Equipment:

Construction of Lac Shortt began in September, 1983. By year end, service buildings, pumphouse and crusher buildings were all closed in. The steel structure on the mill building was erected and completely enclosed. A production hoist was installed and shaft sinking had reached a depth of 413 metres by year end. Lac Shortt operations are hydro powered. Capital costs have been held to a minimum by making use of equipment available from other operations of the company.

The new mine and mill complex was officially opened on Sept. 28, 1984. By year end, operations had reached a planned rate of 750 tonnes per day. Gross expenditure on fixed assets totaled \$17,670,000 and preproduction expenses were \$12,812,000 during 1984. The Ministry of Energy and Resources for the Province of Quebec agreed to offer a grant of \$5,000,000 for construction of the access road and power line required for the final development of the property.

#### Development:

During 1983, a production hoist was installed and shaft sinking had reached a depth of 413 metres by year end.

During 1984, 19 holes totaling 3,880 metres were drilled on claims in the general area of the mine and no intersections of economic significance were obtained.

#### Ore Reserves:

At Dec. 31, 1984, ore reserves were itemized as follows:

|                           | Tons      | Gold oz./ton |
|---------------------------|-----------|--------------|
| Proven and probable ..... | 1,848,000 | 0.157        |
| Drill indicated .....     | 618,000   | 0.144        |

#### Production:

During 1984, 6,700 oz. of gold were produced from 60,300 tonnes milled.

#### OUTSIDE EXPLORATION

Details of exploration expenditures follow:

|            |             |            |             |
|------------|-------------|------------|-------------|
| 1979 ..... | \$3,593,000 | 1982 ..... | \$7,382,000 |
| 1980 ..... | 7,569,000   | 1983 ..... | 10,198,000  |
| 1981 ..... | 10,557,000  | 1984 ..... | 8,715,000   |

■ Excluding \$5,540,000 spent at the Winston Lake project and \$670,000 spent on underground exploration at the Callahan property in 1984; and \$7,302,000 in 1982 and \$1,842,000 in 1981 spent on underground exploration at the Opawica-Lac Shortt property.

Of total 1984 expenditures, 27% was spent at Lac



Dufault Division, 18% at Opemiska Division, 4% elsewhere in Quebec, 22% in Ontario, 14% in British Columbia, and 15% in the United States.

Areas of current interest include the following:

### Quebec

**Noranda Area**—At the Ansil, Delbridge, Dupresnoy, Mobrun and Waite-Dufault properties, surface drilling totaling 26,712 metres was carried out in 68 holes during 1984.

At the Mobrun property, located 24 km east of the Norbec concentrator (Lake Dufault division) a near surface massive sulphide deposit containing low-grade copper, zinc, silver and gold values was discovered in 1956 by previous owners. During 1984, 36 holes totaling 6,713 metres were completed by the company with encouraging results. Additional metallurgical testing and a feasibility study are planned in 1985. Corporation Falconbridge holds the right under a purchase option agreement to acquire the mineral rights on this property, subject to a small royalty.

The Despine property, adjacent to the south of the Corbet mine, was optioned from Noranda Exploration Company Limited and Beauchastel Copper Mines Limited. The company has the right to acquire a 67% or 70% working interest in the property and plans to carry out surface drilling in 1985.

During 1984, the deep Ansil deposit, located five km west of the Norbec mill was re-examined following two years of inactivity due to depressed copper prices. The deposit is estimated to contain 2,320,000 tons grading 7.18% copper, 0.5% zinc, 0.7 oz. silver and 0.05 oz. gold per ton as indicated by surface drilling at a depth ranging from 1,200 to 1,525 metres. The underground program scheduled for completion in 1987 includes sinking a shaft to 5,300 ft., delineation of the deposit and initial development. Production could commence as early as 1989. A \$25,000,000 grant was received from the Quebec government for the development of this project. Under the grant agreement, if the deposit is brought into production before Dec. 31, 1991, the company will repay in 1992 and 1993 the difference between the total grant and 20% of total costs incurred in bringing the property into production, the grant is repayable in full if the property is not brought into production by Dec. 31, 1991.

**Chapais Area**—At the Bourbeau property comprising 2,410 hectares, eight km west of the Opemiska Springer mine, an extensive program was undertaken during 1984 with encouraging results. Work is to be continued during 1985 with 6,000 metres of diamond drilling planned.

The Chiboug-Copper property is located east of the Cooke mine, covering 644 hectares. The Cooke veins are expected to extend into the property as far as the major Chiboug-Copper fault zone.

**Val d'Or Area**—On a joint venture basis Corporation Falconbridge (49%) and Falconbridge Limited (51%) are continuing a major drilling program on a large gold property adjoining the Kiena mine. In 1984, a decision was made to proceed with an underground exploration program to evaluate the Callahan No. 4 zone. Plans for 1985 called for sinking a shaft to a depth of 259 metres, to be followed by cross cutting and drifting and underground diamond drilling at an estimated cost to Corporation Falconbridge of \$3,500,000 over a two-year period. Surface exploration will continue on other areas of the property.

### Ontario

**Winston Lake Area**—Extensive exploration on property optioned from Zenmac Explorations Ltd. 17 miles north of Schreiber, in northwestern Ont., has indicated a mineralized deposit containing some 2,950,000 short tons grading 0.9% copper, 17.8% zinc, 0.7 oz. silver and 0.03 oz. gold per ton. Under the agreement with Zenmac this company has the right to elect either a 20% working interest or a 10% net proceeds of production royalty if the property is brought into production.

A three-compartment shaft had reached a depth of 463 metres at year-end. Planned work for 1985 in-

cludes cross-cutting and drifting on the 460 metre level and underground diamond drilling to be followed by a feasibility study. In September 1985, the company announced plans to bring the property to production by late 1986 at an estimated cost of \$52,500,000. Expenditures to Dec. 31, 1984 were \$5,540,000.

At the Pick Lake site, a drill hole intersected massive sulphide mineralization assaying 1.49% copper, 21.95% zinc, 33.5 grams silver and some gold over a width of 1.5 metres at a depth of 475 metres.

### British Columbia

A new office was opened in Vancouver during 1983 and several properties were optioned, including a property in the Kamloops area. During 1984, on the property optioned near Adams Lake, the company delineated a small, high-grade precious metal/base metal sulphide deposit. No further work is planned on this deposit at present, however exploration will continue in the area.

Programs initiated during the year in the Britannia Beach and Mount Sicker areas were to be continued during 1985.

### United States

Exploration in California continued during 1984, with four new deposits identified in Mariposa and Shasta counties. Further exploration is planned. In Madera county, four additional follow-up holes were drilled, however, results were discouraging. No further work is planned on the deposit in Yuba county, California. Elsewhere, a number of properties were examined for possible acquisition in Arizona, Idaho and Nevada.

### STURGEON LAKE JOINT VENTURE

The company holds 93.4% interest (NBU Mines Limited 6.6%) in the Sturgeon Lake joint venture following purchase by Falconbridge Copper of NBU's 33% interest in Sturgeon Lake Mines Limited on Dec. 28, 1978. The latter company was wound up on Dec. 29, 1978. From the start of production late 1974 to recoupment of preproduction financing in November, 1977, Falconbridge Copper received 93.4% of the joint venture proceeds. Following recoupment until Dec. 28, 1978, Falconbridge Copper received 67% of the proceeds.

Open pit operations ceased on Mar. 13, 1980, due to exhaustion of mine ore reserves. Milling continued from ore stockpiles until October, after which 80,306 tons of silver bearing tailings from late 1974 and early 1975 production were retreated. All operations ceased on Dec. 11, 1980.

### Property:

The main property consists of 77 claims near Ignace in the Sturgeon Lake area, northwestern Ontario and is equipped with a 1,200-ton-per-day mill.

The ore body extends across the boundary into two claims of the Mattagami Lake Mines Ltd. (now Noranda Mines) property located to the north. In December, 1972, Falconbridge Copper purchased the upper portion of these claims (to depth of about 350 ft.) from Mattagami Lake for \$3,000,000 to permit open pit mining of the ore body as a single entity. Subsequently, Falconbridge Copper sold a 33% interest in the newly-acquired ground to NBU Mines for \$1,036,435.

In 1977, a group of claims was staked adjoining the south boundary of the property and another group, north of the Mattagami mine, was optioned.

During 1980, 1981, and 1982, exploration was continued in the vicinity of the mine, but no significant mineralization was encountered and no further work is planned at present.

### Production:

From start of operations in September, 1974 to closure of the mine in December, 1980 due to exhaustion of known ore, production totaled 108,907,000 lbs. copper, 335,566,000 lbs. zinc, 17,359,000 lbs. lead, 9,168,200 oz. silver, and 26,450 oz. gold from a total 2,447,392 tons of ore milled.



## HISTORY

The present company was formed under Quebec law on Dec. 16, 1971, as an amalgamation of Falconbridge Mines Quebec Limited, Lake Dufault Mines Limited, and Opemiska Copper Mines (Quebec) Limited, on the following basis: one share of the merged company for one Falconbridge Mines Quebec share (all held by Falconbridge Nickel Mines Ltd.); three shares of the merged company for each two Lake Dufault shares; and one share of the merged company for one Opemiska share. Effective Dec. 28, 1978, Falconbridge Copper purchased NBU Mines Limited's 33% interest in Sturgeon Lake Mines Limited for \$5,100,000, thus acquiring 100% interest in Sturgeon Lake Mines. On Dec. 29, 1978, the latter was wound up, with Falconbridge Copper acquiring its assets and assuming all its liabilities. Histories of the predecessor companies appear below.

By Supplementary Letters Patent dated Apr. 29, 1980, the name of the company was changed to Corporation Falconbridge Copper.

**Falconbridge Mines Quebec Ltd.**—Formed under Quebec charter on Sept. 17, 1971, with an authorized capital of 1,000,000 common shares of no par value, of which 983,000 shares were issued to Falconbridge Nickel Mines Ltd. The company's only asset was 60% of the issued shares of Sturgeon Lake Mines.

**Lake Dufault Mines Ltd.**—The company was incorporated on Oct. 25, 1937, with a Quebec charter, to take over property in the Noranda area of Quebec.

In 1940, Waite Amulet and Lake Dufault formed a new company, Amulet Dufault Mines, to develop and mine the Lower A ore body extending across the common boundary of the two companies' properties. Waite received 3,300,000 shares and Lake Dufault 220,000 shares of Amulet Dufault. Amulet Dufault paid dividends from 1941, of which Lake Dufault received in excess of \$3,400,000. Production from Amulet Dufault terminated in October, 1962, and the balance of its assets was distributed in 1963.

In March, 1955, Lake Dufault acquired the adjoining properties and other assets of Dupresnoy Mines Ltd. and Norbec Copper Mines Ltd. for a total of 927,150 shares. Exchange basis was two shares of Lake Dufault for every seven shares of Dupresnoy and one share of Lake Dufault for every five shares of Norbec.

**Opemiska Copper Mines (Quebec) Ltd.**—The company was incorporated in Quebec, Aug. 21, 1937, to succeed Opemiska Copper Mines on a share-for-share exchange basis. The latter originally acquired 53 claims in the Chibougamau area, Que., and, after some surface exploration in 1935, undertook extensive underground development. Work was suspended in October, 1937, due to low metal prices. The properties remained idle until late in 1951 when the mine was reopened. In June, 1951, five additional claims were acquired from Royran Gold Fields for 60,000 shares; and in 1959, another 32 claims adjoining the original property to the south were acquired by staking. During 1963, the company purchased from Falconbridge Nickel Mines the former Hoyle property, consisting of 20 claims, adjoining to the north. In 1968-70, additional claims adjoining the mine property were acquired by staking.

## ACCOUNTING CHANGES

**1981**—A disputed Quebec mining tax assessment applicable to 1974 was settled in 1981. Retained earnings at January 1, 1980, have been restated to show a retroactive recovery of \$625,000. Accrued interest of \$327,000 resulting from the reassessment has been included in income from investments.

## OFFICERS AND DIRECTORS

**Officers**—Come Carboneau, chm., pres. & chief exec. off.; William James, vice-chm.; M. J. Knuckey, v-p explor.; J. M. Donovan, treas.; J. M. DaCosta, sec.; P. D. Bunton, asst. sec.; S. W. E. Poad, cont.; B. M. McRae, asst. cont.; K. B. Morley, asst. treas.

**Directors**—P. E. Auger, Sillery, Que.; Robert Despres, Quebec City; J. H. Gagné, Ste. Foy, Que.; A. G. Slade, William James, Come Carboneau, M. A. Cooper, J. F. Gillies, J. M. R. Corbet, Toronto; H. B. Keck, Jr., Los Angeles, Calif.; L. C. Kilburn, Oakville.

**Head Office**—Suite 310, 979, de Bourgogne, Ste.-Foy, Que. G1W 2L4.

## CAPITAL STOCK

(At Dec. 31, 1984)

|        | Author.        | Outstand.       | Par    |
|--------|----------------|-----------------|--------|
| Common | 20,000,000 sh. | †12,970,125 sh. | n.p.v. |

†Excludes 46,000 common shares subscribed for but not yet issued at Dec. 31, 1984.

## CAPITAL STOCK CHANGES

On Aug. 22, 1984, the company entered into an agency agreement with Levesque Beaubien Inc. whereby the company offered up to 460 units at \$5,500 per unit. Each unit provided the right to earn 100 common shares of the company at the rate of one share for each \$55 of subscribers' funds expended in 1984 on exploration in Quebec only. The issue was fully subscribed on closing. Gross proceeds were \$2,530,000. At Dec. 31, 1984, \$759,000 (46,000 shares) of the proceeds of the offering were recorded as common shares to be issued. The shares were to be issued no later than Feb. 28, 1985.

On Dec. 11, 1984, the company offered 2,900 units for sale at \$3,500 per unit. Each unit provided the right to earn 100 common shares of the company at the rate of one share for each \$35 of subscribers' funds expended during 1985 on exploration in Canada. The issue was fully subscribed upon closing on Jan. 8, 1985, providing funds of \$10,150,000. Shares earned by June 30, 1985 were to be issued no later than July 31, 1985 and the remaining shares earned during 1985 were to be issued no later than Feb. 28, 1986.

## PRICE RANGE OF STOCK

| Year | High   | Low    | Year | High    | Low    |
|------|--------|--------|------|---------|--------|
| 1975 | \$8.63 | \$5.50 | 1980 | \$15.88 | \$6.38 |
| 1976 | 9.00   | 5.00   | 1981 | 19.13   | 8.75   |
| 1977 | 7.00   | 3.75   | 1982 | 17.25   | 7.50   |
| 1978 | 7.50   | 3.80   | 1983 | 20.13   | 14.00  |
| 1979 | 10.00  | 6.38   | 1984 | 19.63   | 14.00  |

**Note**—Common shares listed May 2, 1972. For prior years see Historical Summary.

## DIVIDENDS

**Common**—Quarterly dividends have been omitted since Sept. 30, 1981, when 10 cents per share was paid. Previously 15 cents per share was paid June 30, 1981, and Mar. 31, 1981; 25 cents per share Dec. 31, 1980; Sept. 30, 1980; June 30, 1980, and Mar. 31, 1980; 30 cents per share Dec. 20, 1979; 20 cents per share Sept. 28, 1979; 10 cents per share June 29, 1979; and 20 cents per share Dec. 29, 1978. Previously, payments of 10 cents per share were made Dec. 22, 1977; Dec. 24, 1976; and Dec. 29, 1975. A rate of 80 cents per share per annum had been paid regularly, quarterly from Mar. 30, 1972 (initial) to Dec. 31, 1974, inclusive.

Falconbridge Nickel Mines Ltd. agreed to forgo all dividends in respect to 983,000 shares during the period commencing Dec. 31, 1971, and ended Feb. 1, 1975, when the Sturgeon Lake Mines' property was brought into production.

## SUMMARY OF LAKE DUFAULT PRODUCTION

During the two-month tune-up period from August to Sept. 30, 1964, the concentrator treated 27,839 tons of ore having a value of \$442,496, which sum was applied against preproduction expenditures. For details of production from Oct. 1, 1964, when full-scale operations commenced, see table below:

|       | Tons<br>Milled | Metal Content of Concentrates |              |                 |             | Silver<br>oz. | Gross<br>Value<br>\$ |
|-------|----------------|-------------------------------|--------------|-----------------|-------------|---------------|----------------------|
|       |                | Copper<br>lbs.                | Zinc<br>lbs. | Cadmium<br>lbs. | Gold<br>oz. |               |                      |
| 1964* | 112,117        | 10,339,640                    | 12,188,338   | ...             | 3,054       | 192,704       | 6,064,528            |
| 1965  | 475,007        | 53,151,833                    | 60,290,015   | 163,239         | 16,221      | 921,663       | 32,699,357           |
| 1966  | 489,387        | 45,303,725                    | 75,606,047   | 206,831         | 15,356      | 1,024,666     | 37,581,730           |
| 1967  | 492,938        | 37,333,871                    | 68,772,851   | 187,141         | 14,199      | 941,302       | 31,144,894           |
| 1968  | 415,009        | 16,087,185                    | 24,612,761   | 1,956           | 5,712       | 400,038       | 13,012,895           |
| 1969  | 405,790        | 13,108,321                    | 12,249,159   | ...             | 3,738       | 236,600       | 11,736,608           |
| 1970  | 419,171        | 11,116,232                    | 10,647,640   | ...             | 3,194       | 169,743       | 8,512,381            |
| 1971■ | 509,000        | 14,662,000                    | 14,569,000   | ...             | †           | †             | 6,693,000            |
| 1972■ | 561,600        | 32,850,000                    | 38,218,000   | ...             | †           | †             | 15,640,000           |
| 1973■ | 555,300        | 37,783,000                    | 37,950,000   | ...             | †           | †             | 30,058,000           |
| 1974■ | 553,200        | 24,453,000                    | 30,838,000   | †               | †           | †             | 22,615,000           |
| 1975■ | 560,800        | 26,168,000                    | 29,987,000   | ...             | 9,000       | 419,000       | 16,182,000           |
| 1976■ | 505,400        | 29,553,000                    | 27,389,000   | ...             | 9,000       | 431,000       | 18,353,000           |
| 1977■ | 429,900        | 26,572,000                    | 25,684,000   | ...             | 7,670       | 351,000       | 15,143,000           |
| 1978■ | 410,900        | 26,282,000                    | 25,447,000   | ...             | 7,900       | 388,000       | 19,876,000           |
| 1979■ | 462,800        | 31,615,000                    | 36,878,000   | ...             | 9,600       | 489,000       | 43,166,000           |
| 1980■ | 524,100        | 26,776,000                    | 15,885,000   | ...             | 8,250       | 302,000       | 35,855,000           |
| 1981■ | ▲499,295       | 26,767,000                    | 7,591,000    | ...             | 9,340       | 192,000       | 22,820,000           |
| 1982■ | ▲357,000       | 20,049,000                    | 2,538,000    | ...             | 5,200       | 85,000        | 12,673,000           |
| 1983■ | 418,000        | 26,924,000                    | 6,926,000    | ...             | 8,600       | 140,000       | 19,171,000           |
| 1984■ | 539,300        | 30,800,000                    | 23,707,000   | ...             | 14,400      | 248,600       | 25,756,000           |

▲Production was suspended for a four-week period in February, 1981, as a result of a labor strike; and from June in 1982 to April in 1983 due to poor market conditions.

■ Figures rounded to nearest thousand; production is given as net revenue from metal shipments rather than gross value of production as previously.

†Not reported. \*Three-month period (from Oct. 1)



## SUMMARY OF OPEMISKA PRODUCTION

Milling operations commenced in December, 1953, at a rate of 375 tons per day. Mill capacity has since been increased to over 3,000 tons a day. A summary of production follows:

| Year   | Tons<br>Milled | Metal Content  |             |               | Gross<br>Value<br>\$ |
|--------|----------------|----------------|-------------|---------------|----------------------|
|        |                | Copper<br>lbs. | Gold<br>oz. | Silver<br>oz. |                      |
| 1954   | 134,879        | 14,047,210     | 6,260       | 76,714        | 4,448,073            |
| 1955   | 162,098        | 15,318,454     | 6,434       | 85,737        | 6,796,140            |
| 1956*  | 236,392        | 18,530,480     | 7,778       | 108,723       | 7,462,818            |
| 1957*  | 240,422        | 17,110,530     | 7,684       | 98,570        | 4,336,869            |
| 1958   | 352,984        | 25,942,823     | 10,902      | 157,201       | 7,027,395            |
| 1959   | 443,444        | 28,544,531     | 13,080      | 169,300       | 9,035,389            |
| 1960   | 751,453        | 41,137,094     | 17,813      | 242,646       | 12,536,782           |
| 1961†  | 599,015        | 32,638,030     | 13,977      | 203,466       | 10,237,321           |
| 1962†  | 544,518        | 30,761,792     | 13,141      | 197,874       | 10,259,561           |
| 1963   | 737,543        | 41,690,690     | 17,242      | 276,653       | 13,969,601           |
| 1964   | 748,990        | 40,709,632     | 16,966      | 281,797       | \$14,177,236         |
| 1965   | 745,976        | 40,489,328     | 16,534      | 281,088       | \$16,830,108         |
| 1966   | 766,128        | 44,648,811     | 16,061      | 282,251       | 23,033,062           |
| 1967   | 737,272        | 41,533,445     | 13,029      | 267,107       | 21,846,754           |
| 1968   | 744,466        | 40,729,543     | 11,562      | 248,231       | 21,187,676           |
| 1969   | 792,509        | 39,643,558     | 11,430      | 243,583       | 28,501,339           |
| 1970   | 835,942        | 39,204,243     | 11,375      | 239,190       | 23,449,656           |
| 000's■ |                |                |             |               |                      |
| 1971   | 1,074          | 47,350         | **          | **            | 18,574               |
| 1972   | 1,157          | 48,020         | **          | **            | 17,928               |
| 1973   | 1,063          | 43,152         | **          | **            | 30,357               |
| 1974   | 927            | 32,458         | **          | **            | 23,913               |
| 1975   | 952            | 36,766         | 10.0        | 264           | 15,960               |
| 1976   | 1,044          | 40,049         | 15.0        | 315           | 19,771               |
| 1977   | 1,022          | 40,307         | 27.3        | 341           | 20,393               |
| 1978   | 1,067          | 40,747         | 50.2        | 359           | 33,654               |
| 1979   | 1,052          | 36,322         | 34.5        | 302           | 49,056               |
| 1980   | 1,063          | 32,330         | 32.5        | 261           | 52,134               |
| 1981▲  | 937            | 26,621         | 26.6        | 242           | 30,866               |
| 1982   | 1,052          | 32,593         | 39.3        | 267           | 34,097               |
| 1983   | 1,017          | 28,381         | 44.2        | 236           | 37,038               |
| 1984   | 686            | 15,380         | 51.0        | 158           | 29,361               |

\*Production was suspended Oct. 30, 1956, due to fire, and resumed Mar. 1, 1957.

†Production was suspended Oct. 20, 1961, due to a strike; operations resumed Apr. 1, 1962.

▲Production was suspended by a five-week strike in May-June, 1981. \*\*Not reported.

§Excluding revenue from development ore drawn from the Perry mine having an estimated value of \$300,000 in 1964 and \$36,000 in 1965, which has been applied as an ore credit against preproduction expenditures.

■ Figures rounded to nearest thousand, production shown is net revenue from metal shipments rather than gross value of production.

## INTERIM EARNINGS

| Fiscal<br>Year | 3 months                  |                   |                   | 6 months                  |                   |                   | 9 months                  |                   |                   |
|----------------|---------------------------|-------------------|-------------------|---------------------------|-------------------|-------------------|---------------------------|-------------------|-------------------|
|                | Gross<br>Metal<br>Revenue | Net Inc.<br>Oper. | Earns.<br>Per Sh. | Gross<br>Metal<br>Revenue | Net Inc.<br>Oper. | Earns.<br>Per Sh. | Gross<br>Metal<br>Revenue | Net Inc.<br>Oper. | Earns.<br>Per Sh. |
| —\$—           |                           |                   |                   |                           |                   |                   |                           |                   |                   |
| 000's          |                           |                   |                   |                           |                   |                   |                           |                   |                   |
| 1978 ..        | 24,729                    | 1,056             | 0.08              | 52,972                    | 3,304             | 0.25              | 93,861                    | 9,367             | 0.2               |
| 1979 ..        | 43,116                    | 8,199             | 0.63              | 86,248                    | 15,747            | 1.21              | 132,748                   | 24,940            | 1.92              |
| 1980 ..        | 51,852                    | 9,713             | 0.75              | 94,801                    | 17,071            | 1.31              | 138,234                   | 24,164            | 1.86              |
| 1981 ..        | 18,269                    | 1,193             | 0.09              | 34,675                    | 1,281             | 0.10              | 57,511                    | 519               | 0.04              |
| 1982 ..        | 20,442                    | d692              | d0.05             | 39,291                    | d1,853            | d0.14             | 56,889                    | d1,207            | d0.09             |
| 1983 ..        | 15,592                    | d556              | d0.04             | 40,219                    | d96               | d0.01             | 64,168                    | 476               | 0.04              |
| 1984 ..        | 23,662                    | 915               | 0.07              | 44,623                    | 976               | 0.08              | 64,810                    | 1,035             | 0.08              |
| 1985 ..        | 26,393                    | d522              | d0.04             | 52,316                    | d1,010            | d0.08             |                           |                   |                   |

## CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Years Ended December 31

|                              | 1984     | 1983     | 1982    | 1981    | 1980   | 1979   | 1978   |
|------------------------------|----------|----------|---------|---------|--------|--------|--------|
|                              | \$000's  |          |         |         |        |        |        |
| <b>Source of Funds:</b>      |          |          |         |         |        |        |        |
| Net income                   | 891      | d39      | d2,160  | d122    | 30,333 | 46,549 | 15,058 |
| Deprec., amort. etc.         | 6,811    | 5,634    | 4,748   | 4,544   | 5,375  | 8,102  | 6,987  |
| Def. min. inc. taxes         | 950      | *3,270   | *4,147  | *1,793  | 565    | 1,981  | 854    |
| Sale f.a. (net)              | 27       | 124      | 29      | 5       | 35     | .....  | .....  |
| Min. int. subsid.            | .....    | .....    | .....   | .....   | .....  | .....  | 2,539  |
| Common shs. to be issued     | 759      | .....    | .....   | .....   | .....  | .....  | .....  |
| Common issue expense         | *240     | .....    | .....   | .....   | .....  | .....  | .....  |
| Decrease other assets        | 84       | 2        | 87      | 74      | 59     | 155    | 223    |
|                              | 9,282    | 2,451    | d1,443  | 2,708   | 36,367 | 56,787 | 25,661 |
| <b>Application of Funds:</b> |          |          |         |         |        |        |        |
| Dividends                    | .....    | .....    | .....   | 5,170   | 12,970 | 7,782  | 2,594  |
| Incr. fixed assets (net)     | 31,994   | 12,570   | 1,127   | 1,443   | 1,608  | 9,336  | 1,861  |
| Preproduction expend.        | .....    | .....    | .....   | .....   | .....  | .....  | 3,095  |
| Purch. min. int.             | .....    | .....    | .....   | .....   | .....  | .....  | 5,282  |
|                              | 31,994   | 12,570   | 1,127   | 6,613   | 14,578 | 17,118 | 12,829 |
| Increase working capital     | ■ 22,712 | ■ 10,119 | ■ 2,570 | ■ 3,905 | 21,789 | 39,669 | 12,832 |

\*Subtract. ■ Decrease.

## CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

|                                 | 1984    | 1983    | 1982    | 1981    | 1980    | 1979    | 1978    |
|---------------------------------|---------|---------|---------|---------|---------|---------|---------|
|                                 | \$000's |         |         |         |         |         |         |
| Gross revenue■                  | 86,105  | 84,230  | 68,296  | 76,939  | 171,428 | 204,818 | 132,429 |
| Less: Treatment & refin.        | 30,689  | 27,956  | 21,526  | 23,193  | 45,610  | 59,701  | 50,477  |
| Net revenue                     | 55,416  | 56,274  | 46,770  | 53,746  | 125,818 | 145,117 | 81,952  |
| Less: Operating costs           | 38,976  | 40,824  | 39,670  | 42,869  | 48,287  | 40,964  | 36,966  |
| Admin. expenses                 | 2,077   | 1,917   | 2,120   | 1,441   | 1,767   | 1,554   | 1,136   |
| Explor. & dev. expts.           | 13,988  | 16,539  | 19,529  | 19,119  | 15,267  | 4,735   | 3,452   |
| Operating profit                | 375     | d3,006  | d14,549 | d9,683  | 60,497  | 97,864  | 40,398  |
| Add: Investment income          | 6,681   | 8,689   | 13,703  | 13,055  | 10,056  | 4,287   | 1,452   |
| Net before deprec., etc.        | 7,056   | 5,683   | d846    | 3,372   | 70,553  | 102,151 | 41,850  |
| Less: Depreciation              | 3,294   | 2,660   | 2,069   | 1,920   | 2,199   | 3,338   | 3,363   |
| Amort. preprod. & devel. expts. | 3,517   | 2,974   | 2,679   | 2,624   | 2,313   | 2,831   | 3,170   |
| Depletion                       | .....   | .....   | .....   | .....   | 863     | 1,933   | 454     |
| Inc. & mining taxes             | 763     | □ 1,423 | □ 4,617 | □ 1,050 | 34,845  | 47,500  | 17,266  |
| Prem. on f.-t. explor. expts.   | □ 1,803 | .....   | .....   | .....   | .....   | .....   | .....   |
| Royalties on production         | 33      | .....   | .....   | .....   | .....   | .....   | .....   |
| Minority int.                   | .....   | .....   | .....   | .....   | .....   | .....   | 2,539   |
| Other charges                   | 361     | 1,511   | 1,183   | .....   | .....   | .....   | .....   |
| Net income                      | 891     | d39     | d2,160  | d122    | 30,333  | 46,549  | 15,058  |
| Add: Prev. retained earnings    | 109,585 | 109,624 | 111,784 | 116,451 | 99,088  | 60,321  | 47,857  |
| Adj. prior yrs. inc. taxes†     | .....   | .....   | .....   | 625     | .....   | .....   | .....   |
| Less: Dividends                 | .....   | .....   | .....   | 5,170   | 12,970  | 7,782   | 2,594   |
| Share issue expense             | 123     | .....   | .....   | .....   | .....   | .....   | .....   |
| Retained earnings               | 110,353 | 109,585 | 109,624 | 111,784 | 116,451 | 99,088  | 60,321  |

■ From metal shipments. †See Accounting Changes. □ Recovery.

Remuneration—Of officers and directors has been as follows: \$590,000 in 1984; \$507,000 in 1983; \$745,000 in 1982; \$501,000 in 1981; \$529,000 in 1980; \$408,000 in 1979 and \$360,000 in 1978.

## Earnings per Share and Dividend Record:

|                |       |          |         |         |        |        |        |
|----------------|-------|----------|---------|---------|--------|--------|--------|
| Common: Earned | 0.07  | d\$0.003 | d\$0.17 | d\$0.01 | \$2.34 | \$3.59 | \$1.16 |
| Paid           | ..... | .....    | .....   | 0.40    | 1.00   | 0.60   | 0.20   |

## Shares Outstanding as at December 31:

|        |             |            |            |            |            |            |            |
|--------|-------------|------------|------------|------------|------------|------------|------------|
| Common | ↑12,970,125 | 12,970,125 | 12,970,125 | 12,970,125 | 12,970,125 | 12,970,125 | 12,970,125 |
|--------|-------------|------------|------------|------------|------------|------------|------------|

†Excludes 46,000 common shares to be issued at Dec. 31, 1984 under a share offering. For further details, see Capital Stock Changes.



## CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1984    | 1983    | 1982    | 1981    | 1980    | 1979    | 1978   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|--------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$000's |         |         |         |         |         |        |
| <b>Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |         |         |         |         |         |         |        |
| Current:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |         |         |         |         |         |         |        |
| Cash & temp. invests. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 46,095  | 71,192  | 87,586  | 84,260  | 105,007 | 62,975  | 25,153 |
| Accts. rec. & prep. exps. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 6,006   | 3,062   | 1,894   | 1,937   | 2,416   | 1,144   | 637    |
| Metal settlements rec.▶ ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 21,279  | 22,087  | 13,223  | 18,718  | 29,915  | 59,942  | 36,425 |
| Supplies▼ ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 5,618   | 4,742   | 4,767   | 5,340   | 4,800   | 4,066   | 3,592  |
| Taxes rec. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | .....   | .....   | .....   | 715     | .....   | .....   | .....  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 78,998  | 101,083 | 107,470 | 110,970 | 142,138 | 128,127 | 65,807 |
| Invest. in parent co.‡ ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2,746   | 2,746   | 2,746   | 2,746   | 2,746   | 2,746   | 2,746  |
| Preproduction & dev. exps.,<br>producing props. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 5,295   | 8,812   | 11,733  | 14,412  | 17,036  | 2,520   | 5,350  |
| Preproduction & dev. exps.,<br>nonproducing props. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 41,105  | 9,895   | 259     | 288     | 266     | 16,880  | 11,305 |
| Long-term accts. rec ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 514     | 598     | 600     | 687     | 761     | 820     | 975    |
| Recoverable hydro deposit ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1,647   | 1,513   | .....   | .....   | .....   | .....   | .....  |
| Fixed:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |         |         |         |         |         |         |        |
| Producing assets:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |         |         |         |         |         |         |        |
| Plant & equip. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 47,920  | 47,831  | 54,189  | 54,247  | 54,729  | 45,985  | 44,807 |
| Less: Accr. deprec. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 43,229  | 40,469  | 45,411  | 44,527  | 44,505  | 42,705  | 39,682 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 4,691   | 7,362   | 8,778   | 9,720   | 10,224  | 3,280   | 5,125  |
| Mining properties* ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | .....   | .....   | .....   | .....   | .....   | 863     | 2,797  |
| Non-producing assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | .....   | .....   | .....   | .....   | .....   | 7,785   | 5,517  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 134,996 | 132,009 | 131,586 | 138,823 | 173,171 | 163,021 | 99,622 |
| <b>Liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |         |         |         |         |         |        |
| Current:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |         |         |         |         |         |         |        |
| Accts. & accr. chgs. ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 6,813   | 6,303   | 5,075   | 5,104   | 5,494   | 6,013   | 4,483  |
| Due to parent ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 766     | 618     | 228     | 920     | 280     | 261     | 262    |
| Taxes payable ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2,939   | 2,970   | 872     | 1,112   | 27,798  | 36,058  | 14,159 |
| Dividends payable ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 178     | 178     | 162     | 131     | 1,583   | 601     | 1,378  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 10,696  | 10,069  | 6,337   | 7,267   | 35,155  | 42,933  | 20,282 |
| Def. inc. & mining taxes ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2,787   | 1,954   | 5,224   | 9,371   | 11,164  | 10,599  | 8,618  |
| <b>Shareholders' Equity</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |         |         |         |         |         |         |        |
| Capital stock ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 11,160  | 10,401  | 10,401  | 10,401  | 10,401  | 10,401  | 10,401 |
| Retained earnings ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 110,353 | 109,585 | 109,624 | 111,784 | 116,451 | 99,088  | 60,321 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 134,996 | 132,009 | 131,586 | 138,823 | 173,171 | 163,021 | 99,622 |
| ‡Market value ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2,284   | 2,039   | 1,393   | 2,126   | 2,944   | 2,635   | 940    |
| ▼At lower of cost and replacement cost.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |         |         |         |         |         |         |        |
| ▶At estimated realizable value. Includes: 1984, 18,266,000 lb. copper at 58c per lb., 5,095,000 lb. zinc at 43c per lb., 27,585 oz. gold at \$331.00 per oz. and 184,181 oz. silver at \$6.10 per oz.; 1983, 21,178,000 lb. copper at 64c per lb., 3,379,900 lb. zinc at 45c per lb., 21,470 oz. gold at \$399.00 per oz., and 158,600 oz. silver at \$8.93 per oz.; 1982, 11,413,000 lb. copper at 83c per lb., 458,000 lb. zinc at 49c per lb., 13,714 oz. gold at \$535.00 per oz., and 98,165 oz. silver at \$12.40 per oz.; 1981, 21,057,000 lb. copper at 86c per lb., 870,000 lb. zinc at 53c per lb., 14,750 oz. gold at \$452.00 per oz., and 153,700 oz. silver at \$9.00 per oz.; 1980, 19,595,000 lb. copper at 98c per lb., 8,557,000 lb. zinc at 46c per lb., 439,000 lb. lead at 46c per lb., 13,000 oz. gold at \$671.11 per oz., and 438,000 oz. silver at \$17.70 per oz.; 1979, 30,270,000 lb. copper at \$1.11 per lb., 50,517,000 lb. zinc at 39c per lb., 1,908,000 lb. lead at 69c per lb., 17,000 oz. of gold at \$637 per oz., and 895,000 oz. silver at \$30.50 per oz.; 1978, 32,034,000 lb. copper at 83c per lb. and 98,905,000 lb. zinc at 35c per lb. |         |         |         |         |         |         |        |
| *At cost less amounts amortized.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |         |         |         |         |         |         |        |
| Working capital (\$000's) ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 68,302  | 91,014  | 101,133 | 103,703 | 106,983 | 85,194  | 45,525 |
| Ratio ....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 7.39—1  | 10.04—1 | 16.96—1 | 15.27—1 | 4.04—1  | 2.98—1  | 3.24—1 |

### HISTORICAL SUMMARY Corporation Falconbridge Copper

| Fiscal Year | Total Assets | Working Capital | Gross Revenue | Net Inc. Oper. | Earnings per sh. | Divids. Paid | Shares Outstand. | Price Range |       |
|-------------|--------------|-----------------|---------------|----------------|------------------|--------------|------------------|-------------|-------|
|             |              |                 |               |                |                  |              |                  | High        | Low   |
|             | \$           | \$              | \$            | \$             | \$               | \$           | Common Shares    | \$          | \$    |
| 1970 ..     | 33,085       | 18,349          | 31,962        | 6,293          | 0.54             | 0.79         | 11,717,125       |             |       |
| 1971 ..     | 35,368       | 13,597          | 33,804        | 4,952          | 0.42             | 0.52         | 12,970,125       |             |       |
| 1972 ..     | 37,986       | 12,897          | 48,065        | 9,276          | 0.77             | 0.80         | 12,970,125       | *14.50      | *9.20 |
| 1973 ..     | 61,095       | 25,218          | 79,278        | 27,592         | 2.30             | 0.80         | 12,970,125       | 15.50       | 10.25 |
| 1974 ..     | 58,309       | 16,748          | 64,993        | 8,684          | 0.72             | 0.80         | 12,970,125       | 13.00       | 5.13  |
| 1975 ..     | 57,497       | d18,843         | 79,999        | 655            | 0.05             | 0.10         | 12,970,125       | 8.63        | 5.50  |
| 1976 ..     | 65,076       | 24,409          | 89,163        | 4,858          | 0.37             | 0.10         | 12,970,125       | 9.00        | 5.00  |
| 1977 ..     | 75,949       | 32,696          | 107,455       | 7,301          | 0.56             | 0.10         | 12,970,125       | 7.00        | 3.75  |
| 1978 ..     | 99,622       | 45,525          | 132,429       | 15,058         | 1.16             | 0.20         | 12,970,125       | 7.50        | 3.80  |
| 1979 ..     | 163,021      | 85,194          | 204,818       | 46,549         | 3.59             | 0.60         | 12,970,125       | 10.00       | 6.38  |
| 1980 ..     | 173,171      | 106,983         | 171,428       | 30,333         | 2.34             | 1.00         | 12,970,125       | 15.88       | 8.75  |
| 1981 ..     | 138,823      | 103,703         | 76,939        | d122           | d0.01            | 0.40         | 12,970,125       | 19.13       | 8.75  |
| 1982 ..     | 131,586      | 101,133         | 68,296        | d2,160         | d0.17            | .....        | 12,970,125       | 17.25       | 7.50  |
| 1983 ..     | 132,009      | 91,014          | 84,230        | d39            | d0.003           | .....        | 12,970,125       | 20.13       | 14.00 |
| 1984 ..     | 134,996      | 68,302          | 86,105        | 891            | 0.07             | .....        | †13,016,125      | 19.63       | 14.00 |

\*Listed Jan. 10.

†Includes 46,000 common shares subscribed for but not yet issued at Dec. 31, 1984.

Summaries of predecessor companies, Lake Dufault Mines Limited and Opemiska Copper Mines (Quebec) Ltd. are as follows:

#### Lake Dufault Mines Limited

| Fiscal Year | Divids. Paid | Price Range   |      | Fiscal Year | Divids. Paid | Price Range   |      |
|-------------|--------------|---------------|------|-------------|--------------|---------------|------|
|             |              | High          | Low  |             |              | High          | Low  |
|             |              | Common Shares |      |             |              | Common Shares |      |
|             | \$           | \$            | \$   |             | \$           | \$            | \$   |
| 1942 .....  | 0.02         | 0.59          | 0.31 | 1951 .....  | 0.05         | 1.14          | 0.63 |
| 1943 .....  | 0.02         | 1.40          | 0.40 | 1952 .....  | 0.05         | 2.40          | 0.60 |
| 1944 .....  | 0.02         | 2.75          | 0.80 | 1953 .....  | 0.04         | 1.80          | 0.62 |
| 1945 .....  | nil          | 1.75          | 1.05 | 1954 .....  | 0.02         | 0.85          | 0.61 |
| 1946 .....  | nil          | 1.42          | 0.45 | 1955 .....  | nil          | 3.35          | 0.75 |
| 1947 .....  | 0.05         | 0.86          | 0.35 | 1956 .....  | nil          | 3.55          | 1.45 |
| 1948 .....  | 0.10         | 1.36          | 0.38 | 1957 .....  | nil          | 1.85          | 0.32 |
| 1949 .....  | 0.10         | 1.45          | 0.65 | 1958 .....  | nil          | 0.85          | 0.40 |
| 1950 .....  | 0.05         | 1.34          | 0.65 | 1959 .....  | nil          | 1.50          | 0.60 |

| Fiscal Year | Ore Reserves | Total Assets | Working Capital | Gross Revenue | Net Inc. Oper. | Earnings Per Sh. | Divids. Paid  | Price Range |        |
|-------------|--------------|--------------|-----------------|---------------|----------------|------------------|---------------|-------------|--------|
|             |              |              |                 |               |                |                  |               | High        | Low    |
|             | Tons         | \$           | \$              | \$            | \$             | \$               | Common Shares | \$          | \$     |
| 1960 ..     |              | 4,375        | 1,486           |               |                |                  | nil           | 1.01        | 0.35   |
| 1961 ..     |              | 4,479        | 1,513           |               |                |                  | nil           | 12.75       | 0.38   |
| 1962 ..     |              | 4,827        | 796             |               |                |                  | nil           | 7.95        | 3.80   |
| 1963 ..     | 1,635        | 11,171       | 4,403           |               |                |                  | nil           | 8.50        | 5.20   |
| 1964 ..     | 2,190        | 13,805       | 1,173           | 6,065         | 2,375          | 0.57             | nil           | 13.38       | 7.60   |
| 1965 ..     | 1,715        | 21,607       | 9,557           | 32,699        | 16,935         | 4.10             | *1.75         | 17.00       | 11.50  |
| 1966 ..     | 1,264        | 20,927       | 13,121          | 37,582        | 18,858         | 4.56             | *4.00         | 14.88       | 8.40   |
| 1967 ..     | 1,007        | 18,366       | 13,032          | 31,145        | 14,743         | 3.57             | 4.00          | 16.50       | 8.50   |
| 1968 ..     | 909          | 16,993       | 11,525          | 13,013        | 2,817          | 0.68             | 1.25          | 11.75       | 6.05   |
| 1969 ..     | 714          | 16,197       | 11,102          | 11,736        | 4,359          | 1.05             | *1.00         | 18.88       | 6.10   |
| 1970 ..     | 639          | 16,038       | 8,673           | 8,512         | 1,848          | 0.45             | *0.65         | 19.88       | 11.00  |
| 1971 ..     |              |              |                 |               |                |                  | 0.40          | 16.25       | 9.25   |
| 1972 ..     |              |              |                 |               |                |                  |               | †13.75      | †12.88 |

†Delisted January 10.

\*Includes extra.



| Opemiska Copper (Quebec) Ltd. |              |              |                       |               |                |                |                     |                  |                 |
|-------------------------------|--------------|--------------|-----------------------|---------------|----------------|----------------|---------------------|------------------|-----------------|
| Fiscal Year                   | Ore Reserves | Total Assets | Working Capital 000's | Gross Revenue | Net Inc. Oper. | Earns. Per Sh. | Divids. Paid Common | Price Range High | Price Range Low |
|                               | Tons         | \$           | \$                    | \$            | \$             | \$             | \$                  | \$               | \$              |
| 1951†                         |              | 3,854        | d52                   |               |                |                |                     | □ 1.70           | □ 1.25          |
| 1952 ..                       |              | 5,867        | 933                   |               |                |                |                     | 2.45             | 1.20            |
| 1953 ..                       |              | 6,791        | d677                  |               |                |                |                     | 2.00             | 0.94            |
| 1954 ..                       |              | 8,473        | d867                  | 4,448         | 811            | 0.15           |                     | 2.54             | 1.00            |
| 1955 ..                       |              | 10,105       | 1,065                 | 6,796         | 2,383          | 0.43           |                     | 10.50            | 2.30            |
| 1956 ..                       | 4,697        | 11,674       | 2,911                 | 7,463         | 2,575          | 0.47           |                     | 19.88            | 8.20            |
| 1957 ..                       | 4,743        | 13,075       | d703                  | 4,337         | d132           | d0.02          |                     | 14.75            | 5.75            |
| 1958 ..                       | 5,061        | 15,171       | d1,420                | 7,027         | 467            | 0.08           |                     | 11.00            | 5.75            |
| 1959 ..                       | 5,279        | 15,397       | 391                   | 9,035         | 1,368          | 0.25           |                     | 12.38            | 7.00            |
| 1960 ..                       | 5,805        | 15,889       | 3,567                 | 12,537        | 2,708          | 0.49           | 0.10                | 8.60             | 5.00            |
| 1961 ..                       | 6,031        | 17,061       | 5,526                 | 10,237        | 2,030          | 0.37           | 0.15                | 8.60             | 5.25            |
| 1962 ..                       | 5,842        | 17,955       | 6,458                 | 10,260        | 2,435          | 0.44           | 0.30                | 7.20             | 4.60            |
| 1963 ..                       | 5,980        | 18,695       | 7,197                 | 13,970        | 2,932          | 0.53           | ▲0.45               | 8.25             | 6.50            |
| 1964 ..                       | 5,820        | 19,177       | 7,974                 | \$14,177      | 3,093          | 0.56           | 0.55                | 9.75             | 7.85            |
| 1965 ..                       | 5,766        | 19,836       | 8,380                 | \$16,830      | 4,386          | 0.80           | 0.75                | 9.95             | 7.85            |
| 1966 ..                       | 5,857        | 22,256       | 9,131                 | 23,033        | 6,259          | 1.13           | ▲0.95               | 11.38            | 8.80            |
| 1967 ..                       | 6,267        | 21,024       | 10,332                | 21,847        | 5,156          | 0.94           | ▲0.80               | 12.88            | 9.30            |
| 1968 ..                       | 7,077        | 20,445       | 10,977                | 21,188        | 4,507          | 0.82           | ▲0.80               | 9.80             | 8.25            |
| 1969 ..                       | 7,207        | 24,996       | 12,873                | 28,501        | 8,340          | 1.51           | ▲1.20               | 13.88            | 8.80            |
| 1970 ..                       | 7,063        | 19,499       | 9,682                 | 23,450        | 4,609          | 0.84           | ▲1.20               | 15.00            | 8.75            |
| 1971 ..                       |              |              |                       | ■ 18,574      |                |                | 0.80                | 12.88            | 6.75            |
| 1972 ..                       |              |              |                       | ■ 17,928      |                |                |                     | ■ 9.20           | ■ 8.65          |

†Delisted January 10. †As at September 30. ▲Includes extra.

□ Listed December 7. \$Excluding revenue from development ore drawn from Perry mine having an estimated value of \$300,000 in 1964 and \$36,000 in 1965, which has been applied as an ore credit against preproduction expenditures. ■ Net revenue from metal shipments.

For analysts interested in an intensive study of this and certain other companies, our Databank derives and publishes a wide range of operating ratios, growth rates, etc. For details, contact The Financial Post Investment Databank, Box 100, Terminal A, Toronto M5W 1A7, (416) 596-5692

(This information is obtained from sources we believe to be reliable, but is not guaranteed)

